

# CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Oneok Rockies Midstream Stateline Pipeline	Proposed Implementation Date: November 15 <sup>th</sup> . 2012
Proponent: Oneok Rockies Midstream, LLC., 2700 Lincoln Avenue SE, Sidney, MT 59270-8819	
<p>Type and Purpose of Action: Oneok Rockies Midstream, LLC is requesting an easement that would allow them to install a single-line only 10" poly pipeline on State land. According to their "Statement of Necessity", the purpose of the pipeline is to collect the gas off the Stateline1-24-23H Well located within Lot 4 of Sec. 24 – Twp. 28N – Rge. 59E. Along with the pipeline, a 40'x40' easement for a Block valve Site is being requested. The Block Valve is considered necessary to ensure safety and allow future maintenance. The Stateline1-24-23H Well is located on State surface, but the subsurface rights are not owned by the State. The proponent has offered \$40-\$70/ rod for the ROW easement, \$7.50/rod for damages, and \$3,000 "flat rate" for the Block Valve site. This would result in the Trust receiving a payment between \$4,627.45 and \$7,550.05 for the 97.42 rods for the pipeline and an additional \$3,000.00 for the block valve. Total compensation to the Trust would be between \$7,627.45 and \$10,550.05 for this project if the proponent's offer was accepted.</p>	
Location: Lot 4 of Sec. 24 – Twp. 28N – Rge59E.	County: Roosevelt County

## I. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS, and INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.	Oneok Rockies Midstream, LLC proposed the action.  Montana DNRC, Trustlands has started the permitting process for granting an easement across State land.  Montana DNRC, Oil and Gas and Right of Way divisions.  No surface lessee exists for the State land within the project area.
2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:	Montana Board of Oil and Gas
3. ALTERNATIVES CONSIDERED:	Action = Grant permission for Oneok Rockies Midstream, LLC to construct and operate both a 40'x40' Block Valve and a 10" gas pipeline to collect the gas off the Stateline 1-24-23H Well located within Lot 4 of Sec. 24 - Twp.28N - Rge.59E.   No Action = Deny permission for Oneok Rockies Midstream, LLC to proceed with proposed project.

## II. IMPACTS ON THE PHYSICAL ENVIRONMENT

RESOURCE	[Y/N] POTENTIAL IMPACTS
	N = Not Present or No Impact will occur. Y = Impacts may occur (explain below)
4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactable or unstable soils	The project area's primary soil type is a Zahill-Cabba-Cambert complex that is considered a class V

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<p>present? Are there unusual geologic features? Are there special reclamation considerations?</p>	<p>soil type. This soil type is stable for the most part, but it is susceptible to erosion when disturbed. These soils are typically left in permanent cover and utilized as grazing land. The proponent would be required through stipulation to keep the topsoil and subsoil separate during installation of the pipeline and return the soil to its appropriate location after the pipeline is installed. They would also be required to reseed any/all disturbed areas immediately. The site does not contain any known unusual geologic formations.</p> <p>Action: The project area's soils would be disturbed by the proposed action. Stipulations would be added to ensure impacts to the project area's soil would be minimized.</p> <p>No Action: No impacts will occur to the area's geology, soil quality, soil stability, and soil moisture will occur.</p>
<p>5. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?</p>	<p>No important surface water or ground water resources are known to be located near the project area.</p> <p>Action: No impacts to the areas water quality, quantity, and distribution are anticipated.</p> <p>No Action: No impacts to the areas water quality, quantity, and distribution will occur.</p>
<p>6. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?</p>	<p>No airsheds subject to air quality regulations or zoning laws are present within/near the project area. Air quality is considered to be of high quality in this area. The MT Board of Oil and Gas would require the area to be properly signed if there was a potential risk of Hydrogen Sulfide inhalation.</p> <p>Action: Hydrogen Sulfide may escape into the atmosphere if the pipeline or block valve fail and therefore leak natural gas. No impacts to the areas air quality are anticipated as both the pipeline and block valve are designed to fully contain the natural gas.</p> <p>No Action: No impacts will occur to the areas air quality.</p>
<p>7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?</p>	<p>The Montana Natural Heritage Program (MNHP) does not list any plant "species of concern" or "species of potential concern". No vegetative communities would be altered and no rare plants, and/or rare cover types are present within the project area.</p> <p>Action: No impacts to vegetative communities, rare</p>

II. IMPACTS ON THE PHYSICAL ENVIRONMENT	
	<p>plants, and/or rare cover types are anticipated.</p> <p>No Action: No impacts to the areas vegetation cover, vegetative communities, and/or rare plants will occur.</p>
<p>8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish?</p>	<p>The MNHP lists the Bobolink and Whooping Crane as animal species of concern and the Brook Stickleback as a potential animal species of concern within the project area's township. The pipeline would be buried and would not impact any of the species listed by the MNHP. The block valve will be located near an existing oil well and no impacts from the addition of this structure are anticipated.</p> <p>Action: Important wildlife, birds, and/or fish species utilization of this area is not anticipated to be impacted by the proposed action.</p> <p>No Action: No impacts to the utilization of this area by important wildlife, birds, and/or fish species will occur.</p>
<p>9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern?</p>	<p>The site does not contain any known unique, endangered, fragile, and/or limited environmental resources. No wetlands are present. The MNHP lists the Bobolink and Whooping Crane as animal species of concern and the Brook Stickleback as a potential animal species of concern within the project area's township. The MNHP does not list any plant species for this area.</p> <p>Action: No impacts to unique, endangered, fragile, and/or limited environmental resources are anticipated.</p> <p>No Action: No impacts will occur to unique, endangered, fragile, and/or limited environmental resources.</p>
<p>10. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?</p>	<p>Prior to the installation of the Stateline1-24-23H Well, DNRC inspected the tract and it was determined that no historical, archaeological, and/or paleontological sites or resources exist on the surface of the proposed action area.</p> <p>Action: The proposed action would not affect any known historical, archaeological, and/or paleontological sites and/or resources within the action area.</p> <p>No Action: No impacts will occur to any historical, archaeological, and/or paleontological sites or resources.</p>
<p>11. AESTHETICS: Is the project on a prominent</p>	<p>Action: Aesthetics within this area would be slightly</p>

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topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?	<p>impacted by the addition of the block valve. Impacts would be minimal as the block valve would be located close to an existing oil well and is relatively small in size (40'x40').</p> <p>No Action: No impacts will occur to the areas aesthetics.</p>
12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project?	<p>The project would require resources associated with the construction and operation of the Block Valve and pipeline. The project does not require resources that are considered to be limited in this area. No nearby activities that could have a potential impact on this project have been identified.</p> <p>Action: Proposed action would not require any of the areas limited resources and surrounding activities are not anticipated to impact this project.</p> <p>No Action: No impacts to the areas limited resources will occur.</p>
13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?	<p>No environmental documents pertinent to this area are known to exist.</p> <p>Action: No environmental documents, studies, plans, or projects are anticipated to be impacted.</p> <p>No Action: No environmental documents, studies, plans, or projects will be impacted.</p>

## III. IMPACTS ON THE HUMAN POPULATION

RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES
14. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?	<p>Oneok Rockies Midstream would be required to display proper signage and barriers during construction and operation to prevent possible injuries to workers and the public.</p> <p>Action: Temporary human health and safety risks would be added during the construction of the proposed action. The construction and maintenance workers would be at the greatest risk. There are potential safety risks regarding inhalation of H<sub>2</sub>S whenever natural gas is being brought near the surface.</p> <p>No Action: No impacts to human health and safety will occur.</p>
15. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?	<p>The proposed action site is located on a vacant tract of State land that is not currently being utilized for agriculture or ranching. The surrounding area consists predominately of agricultural/ranching</p>

	<p>activities; however, the area has been rapidly developed for oil production over the past few years.</p> <p>Action: No impacts to the areas industrial, commercial, or agricultural activities are anticipated.</p> <p>No Action: No impacts to the areas industrial, commercial, and agricultural activities will occur.</p>
16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.	<p>Action: No impacts to the quantity and distribution of employment are anticipated.</p> <p>No Action: No impacts to the quantity and distribution of employment will occur.</p>
17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?	<p>Action: The proposed action may result in positive impacts by increasing State of Montana and local tax through the sale of natural gas.</p> <p>No Action: No impacts to State of Montana taxes, local taxes, and/or School Trust revenues will occur.</p>
18. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed?	<p>Action: No impacts to the demand of government services are anticipated.</p> <p>No Action: No impacts to the demand of government services will occur.</p>
19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?	<p>No environmental plans or goals are known to exist in this area.</p> <p>Action: No impacts to the environmental plans and goals or zoning and management plans and goals for this area are anticipated.</p> <p>No Action: No impacts to the environmental plans and goals or zoning and management plans and goals for this area will occur.</p>
20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?	<p>The land is legally accessible. Recreational opportunities exist, but they are limited by the tract's relatively small acreage. No wilderness areas are located near project area.</p> <p>Action: Recreational opportunities are not anticipated to be impacted since the pipeline would be below the surface and the block valve would be near the existing oil well.</p> <p>No Action: No impacts to quality or access of recreational or wilderness activities will occur.</p>
21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?	<p>The area around the proposed site is sparsely populated. The nearest town is Bainville, MT, and it is located 7.5 miles to the west and 1 mile south of the proposed site.</p> <p>Action: No impacts to population or housing in this</p>

	<p>area are anticipated.</p> <p>No Action: No impacts to population or housing in this area will occur.</p>
22. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?	<p>Action: No impacts concerning the disruption of native or traditional lifestyles are anticipated.</p> <p>No Action: No impacts concerning the disruption of native or traditional lifestyles will occur.</p>
23. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?	<p>Action: No impacts to cultural uniqueness and/or diversity qualities are anticipated.</p> <p>No Action: No impacts to cultural uniqueness and/or diversity will occur.</p>
24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:	<p>Action: The proponent has offered \$40-\$70/ rod for the ROW easement, \$7.50/rod for damages, and \$3,000 "flat rate" for the Block Valve site. This would result in the Trust receiving a payment between \$4,627.45 and \$7,550.05 for the 97.42 rods for the pipeline and an additional \$3,000.00 for the block valve.</p> <p>No Action: The trust would not receive compensation for the proposed action.</p>

EA Checklist Prepared By: /s/  
Matthew Poole  
Land Use Specialist

Date: November 14, 2012

IV. FINDING	
25. ALTERNATIVE SELECTED:	Action Alternative
26. SIGNIFICANCE OF POTENTIAL IMPACTS:	Installation of gas line will enhance gas recovery and have minimal impacts.
27. Need for Further Environmental Analysis:  <input type="checkbox"/> EIS <input type="checkbox"/> More Detailed EA <input type="checkbox"/> No Further Analysis	

EA Checklist Approved By: R. Hoyt Richards      Glasgow Unit Manager  
Name      Title

/s/  
Signature

Date: November 14, 2012

